UNITED NATIONS DEVELOPMENT PROGRAMME

UNDP

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DP/PROJECTS/2722
(GHA/74/013)
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APPROVAL OF LARGE-SCALE UNDP ASSISTANCE TO A PROJECT OF THE GOVERNMENT OF GHANA

Project title and number:	Development of Forest Energy Resources (GHA/74/013)
Executing Agency:	Food and Agriculture Organization of the United Nations (FAO)
Government co-operating agency:	Forest Department of the Ministry of Lands and Mineral Resources
Date of approval:	March 1978
Starting date for project operations:	1/
Duration:	2/
Estimated value of the Government additional input expressed in US dollars	$5 153 000 (In kind)
Estimated UNDP additional contribution	$1 936 500
Source of UNDP financing:	Indicative Planning Figure (IPF)

I. Background

1. The forested area of Ghana has been steadily decreasing because of the high annual population growth and the increasing demand for land. The Government wishes to conserve its forest resources and to obtain the maximum economic advantages from the use of these resources. In 1971 the Government began a large-scale reafforestation programme with the assistance of the World Food Programme (WFP). This programme which involved the clearing of the original vegetation has yielded substantial quantities of wood which can be used as firewood or converted into charcoal.

2. In September 1974 the Government requested UNDP's assistance in setting up a charcoal production centre. Project operations began under preparatory assistance in February 1976 3/ The initial approval provided for UNDP inputs totalling $467,000.

1/ Project operations started in February 1976 under preparatory assistance.
2/ Including the period previously approved the project duration will be 5 years and 11 months.
3/ DP/PROJECTS/1363

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Approval of the main phase of this project was delayed because of the necessity to field a project finalization mission in February 1978 to undertake a quick review of the activities of the project during the preparatory period.

II. The project

3. The objective of the project remains the management of Ghana's forest resources to achieve maximum productivity and maximize and sustain production of renewable energy. In particular the project will: (a) determine the most economic methods of extraction, conversion, transportation and carbonization of wood by the application of work study and the introduction of new machinery and evaluate the costs of the various components and the final total costs; (b) establish the suitability of local wood species for the production of charcoal and associated products and determine whether they can meet the stringent specifications for price, quality and quantity needed for the various industrial uses envisaged; (c) improve the forest management systems in order to provide for the long-term production of energy and other products; (d) increase industrial activity and employment, particularly in the rural areas, by expanding the use of locally manufactured kilns; (e) establish methods of making charcoal and associated products on an industrial scale; (f) develop markets for forest fuels; and (g) carry out pre-enterprises capable of producing approximately 200,000 tons per year on a sustained basis from the tropical forest.

4. Under the assistance now approved UNDP will provide the services of five experts, project manager, forest engineer, production engineer, silviculturist and chief mechanic, two long-term fellowships, six short-term fellowships and in-service training for mechanics and equipment. The Government will provide support staff, accommodation, equipment and supplies.

5. The expenditure components of the planned assistance are as follows:

	Previously approved		Present approval		Total approved	
	m/m	$	m/m	$	m/m	$
Expert services	88.4	123 500	258.4	1 380 300	346.8	1 503 800
Training		12 500		77 500		90 000
Equipment		324 500		443 000		767 500
Miscellaneous		6 500		35 700		42 200
		467 000		1 936 500		2 403 500

6. The cumulative amount of the Government input expressed in US dollars is $6 144 600 (in kind).

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